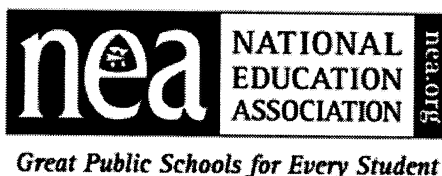


## Guiding Principles for Teacher Incentive Compensation Plans

for State and Local Leaders of AASA, AFT, NEA, and NSBA



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*The principles outlined in this document have been developed jointly by the American Association of School Administrators (AASA), the American Federation of Teachers (AFT), the National Education Association (NEA) and the National School Boards Association (NSBA). The principles were designed to offer guidance to our local leaders and members if they choose to participate in the U.S. Department of Education Teacher Incentive Fund (TIF) grant program, which requires incentive compensation plans. Just as these principles have been developed jointly, we strongly believe that TIF incentive compensation plans—in order to be successful and sustainable as part of a school improvement system—must be developed collaboratively with the relevant stakeholders.*

We need to build and sustain a comprehensive and continuous system of school improvement and organizational growth. Incentive compensation plans may be one component of the continuous improvement system, but they should not stand alone. In order to support the school improvement process, the compensation system must be aligned with the organizational mission and with other organizational operations, such as teacher evaluation, professional development and induction. Schools also must provide the conditions that support teaching and learning. Experience has shown that, when developing incentive compensation plans, it is best to start with schoolwide plans, since they foster collaboration among school staff and are easier to develop and implement.

Incentive compensation systems must have well-defined communication procedures and purposeful planning and implementation processes, and must be aligned with organizational goals. Careful communication starts with a broad base of support among teachers and school staff, administrators, school boards and community members. Successful planning and implementation require a detailed process for ongoing shared decision-making and ownership by the people affected by the pay system. Ownership is achieved with willing participants and a clear link between teaching practices, their impact on student learning, and the reward system. Alignment with the district's organizational goals will provide a stable and purposeful footing that everyone can agree to build upon.

We recommend the following guiding principles for developing and implementing an incentive compensation plan:

1. School boards, administrators and unions/associations should review various models of incentive compensation plans, including research about their effectiveness, before developing a plan at the local level.
2. School boards, administrators and unions/associations should work together to build ongoing community and stakeholder support for both the incentive compensation plan as well as the necessary funding.
3. School boards, administrators and unions/associations should work together to develop and implement the plan utilizing collective bargaining where it exists. In locations where collective bargaining does not exist, teachers who would be using the new system should indicate their support for the program.
4. In the implementation of the incentive compensation plan, teachers should be provided assistance, including time, curriculum and professional development to increase student achievement.
5. The foundation of incentive compensation plans shall be professional-level base salaries.
6. Funding for the plan shall be adequate and sustainable.
7. The plan and its requirements should be transparent, easily understood and uniformly implemented.

8. A detailed implementation plan, with agreed-upon benchmarks and timelines, should be developed.
9. The incentive compensation plan should be based on a multifactor approach (e.g., teacher evaluations, student performance growth, specific goals set by the teachers and management, increased responsibilities, assessments of student learning) that is research-based and improves student achievement.
10. All employees who meet the criteria for the incentive compensation plan should be compensated accordingly, and incentive compensation plans should foster collaboration not competition.
11. Evaluations, if a factor in incentive compensation plans, should be fair, of high quality and rigorous, and shall take into account multiple measures of student progress.

#### **About AASA**

The American Association of School Administrators, founded in 1865, is the professional organization for more than 13,000 educational leaders across the United States. AASA's mission is to support and develop effective school system leaders who are dedicated to the highest quality public education for all children. For more information, visit [www.aasa.org](http://www.aasa.org).

#### **About AFT**

The American Federation of Teachers, an affiliate of the AFL-CIO, was founded in 1916 and today represents 1.5 million members in more than 3,000 local affiliates nationwide. The broad spectrum of AFT membership embraces pre-K through 12th-grade teachers; paraprofessionals and other school-related personnel; higher education faculty and professional staff; federal, state and local government employees; and nurses and other healthcare professionals. In addition, the AFT represents early childhood educators and retiree members. For more information, visit [www.aft.org](http://www.aft.org).

#### **About NEA**

The National Education Association is the nation's largest professional employee organization, representing 3.2 million elementary and secondary teachers, higher education faculty, education support professionals, school administrators, retired educators and students preparing to become teachers. For more information, please visit [www.nea.org](http://www.nea.org).

#### **About NSBA**

Founded in 1940, the National School Boards Association ([www.nsba.org](http://www.nsba.org)) is a not-for-profit organization representing state associations of school boards and their 90,000 local school board members throughout the United States. Its mission is to work with and through all its State Association members to foster excellence and equity in public education through school board leadership. NSBA achieves that mission by representing the school board perspective in working with federal government agencies and national organizations that impact education, and provides vital information and services to state associations of school boards throughout the nation.